



2014-15 biennial budget proposal: human services overview

Gov. Mark Dayton's proposed FY 2014-2015 budget for human services builds on past accomplishments, puts the needs of Minnesotans first, and reinvests existing resources more effectively. This budget would accomplish the following goals (numbers reflect proposed FY 2014-15 spending):

Affordable Care Act Implementation

\$222.29 million investments

- Streamline MA eligibility processing, enrollment changes: \$138.26 million investment
- Expand MA to maintain coverage for children and pregnant women to 275 percent FPG: \$28.03 million investment
- New MinnesotaCare demonstration waiver: \$5.48 million net savings
- Provide administrative capacity to manage transition to the new and larger Medical Assistance and MinnesotaCare programs, including managing increased enrollment and appeals as well as connections to the new Health Insurance Exchange: \$14.48 million investment

Reform 2020

(\$16.99) million net savings

- Advance a comprehensive effort to restructure long-term care to emphasize consumer choice, quality and sustainability
- Modify existing services, provide new services to targeted groups, and ask the federal government for a waiver to try new ways to deliver and pay for health care services

Safe and healthy development of children

\$56.57 million investments

- Increase Access to Quality Child Care for Children with High Needs: \$22.94 million investment
- Establish Northstar Care for Children initiative to support permanent families: \$2.57 million investment
- Rebuild an effective Minnesota Family Investment Program for low-income families: \$13.63 million investment
- Expand the Parent Support Outreach Program statewide: \$4.5 million investment
- Expand school-linked mental health grants (double the number of schools served): \$7.43 million investment
- Support the continuum of homeless youth programming from prevention to permanent housing: \$5.00 million investment
- Restore funding for Family Assets for Independence Minnesota (FAIM), a program providing matched savings to low-wage workers to help them build assets: \$500 thousand investment

Behavioral health services continuum

(\$3.63) million net savings after redirecting \$6.1 million to new investments

- Adjust Adult Rehabilitative Mental Health Services payment rate, services: \$1.81 million redirected investment
- Establish a Clinical Care Coordination benefit in MA: \$4.29 million redirected investment and \$694 thousand savings
- Expand Mental Health Crisis Response services: \$2.0 million investment
- Eliminate Alternative to Moose Lake grant: \$5.3 million savings
- Substance Abuse Screening, Brief Intervention and Referral to Treatment training: \$600 thousand one-time investment
- Allow child mental health treatment services to be delivered in any foster care home: \$231 thousand savings

Transition to Community

\$4.0 million redirected plus \$8.21 million new investment

- New funding to help ease transitions from state-run treatment centers back to community: \$8.21 million investment
- Fund mental health specialty treatment services: \$2.0 million investment (of dedicated revenues)
- Support new mental health transitions services: \$2.0 million investment (of dedicated revenues)
- Change county share of Cost of Care rate for Anoka Regional Treatment Center and Minnesota Security Hospital: \$8.18 million state savings

Program integrity

Small (\$35 thousand) net new investment

- Implement a new fee schedule for home and community-based service providers: \$3.2 million new fee revenues to support new licensing activities
- Application fee for MA provider screening: \$601 thousand investment
- Expand various investigation and audit activities (five proposals): \$566 thousand net savings
- Improve and expand background studies: paid for by federal grant

Smart health care purchasing

(\$6.76) million savings

- Smarter purchaser through diabetic test strip rebates, allowing electronic tablets as cost-effective augmentative communications devices, and through adjusting reimbursement rates for HCPCS drug codes, Child and Teen Check-up vaccine rates, and 340B drug reimbursement rates: \$6.76 million savings

Pay for Performance in health care and long-term care

\$19.61 million redirected plus \$6.55 million new investment

- Provide Nursing Facility Quality Add-On payments instead of inflation adjustments: \$19.61 million redirected investment
- Establish pay for performance program for home and community based service providers: \$6.65 million investment

Make other critical investments

\$113.82 million new plus \$5.43 million redirected investments

- Increase funding for medical education and research costs (MERC): \$12.81 million investment
- Provide payment rate increases for targeted categories of medical services: \$28.43 million investment

- Modernize DHS Technology Systems: \$29.13 million investment
- County performance management system: \$1.50 million investment
- Fund projected population growth in Minnesota Sex Offender Program: \$7.77 million investment
- Child care licensing & training improvements: \$2.35 million investment
- Quality Initiative – Positive practice & Behavior safeguards: \$961 thousand investment
- Quality Initiative – Waiver provider standards Phase II, and Waiver management improvements: \$2.12 million investment
- Continue Emergency Medical Assistance coverage for cancer, dialysis: \$3.14 million investment
- Establish MA benefit set for Children with Autism Spectrum Disorder: \$12.77 million investment
- Buyback of 1.67 percent rate reduction that will otherwise affect long-term care home and community based providers in FY2014: \$12.84 million investment
- Continue operations of the MSHS-Willmar site, a 16-bed mental health Intensive Residential Treatment program: \$5.43 million redirected investment

Reduce other spending

(\$32.13) million savings

- Restore Planned Closure Rate Adjustment authority: \$335 thousand savings
- End payment of Electronic Benefit Transaction (EBT) fee: \$426 thousand savings
- Adjust HIV Rebate program funding: \$6.50 million savings
- Match Supportive Service expenditures: \$8.80 million savings
- Adjust Adoption Assistance forecast: \$1.78 million savings
- Reduce one-time carryforward balance in Consolidated CD Treatment Fund: \$18.19 million savings
- Recognize savings impact from all-day kindergarten on MFIP child care assistance: \$1.34 million savings

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